900.46373X00

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant(s):	Peter SIIG
Serial No.:	10/590,478
Filed:	June 21, 2007
For:	METHOD AND APPARATUS FOR FASTENING FUR ON A PELTING BOARD AND WINDING MATERIAL THEREFORE
Art Unit:	3765
Examiner:	Shaun R. HURLEY

DECLARATION OF DENIS C. SCHMITT
PURSUANT TO 28 U.S.C. §1746 AND 37 C.F.R. §1.132

Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

I, Denis C. Schmitt, declare as follows regarding the above-referenced patent application:

(1) I was born on March 6, 1948, and currently reside at N. 4470 Whispering Pines Lane, Cambridge, Wisconsin 53523.

(2) I graduated from Xavier University with a Bachelor of Business Administration degree in 1970.

(3) I have been involved with the fur business almost continually from my childhood. My family owned a mink farm on which I grew up. I first witnessed at that time how pelting of fur was done, including the drying of pelts after skinning, on pelting boards.

(4) My employment history is as follows:

(a) After my graduation from Xavier, I ran my family's mink farm from 1970-1974.

(b) From 1974-1978, I was the purchasing manager at Kal Kan Pet Foods, which is now Pedigree Pet Food, which is the largest manufacturer of pet foods in the world.

(c) In 1978, I, along with my brother, purchased the family mink farming business. We operated the mink farming business until 1989, at which point I sold my interest to my brother.

(d) From 1989 to the present, I have been employed by North American Fur Auctions (NAFA), which was formerly the Hudson Bay Company and is now the largest fur auction company in North America. I am currently Vice President of Rancher Relations for NAFA. In my capacity as Vice President of Rancher Relations, I am continually involved with the drying of fur pelts, including our company's experience with the purchase and operation of commercial systems for drying of fur pelts.

(e) I also am the head of a wholly owned subsidiary of NAFA, NAFPRO, Inc., which was formed in 2004. NAFPRO, Inc. receives consignment of over 1 million animal pelts a year which are obtained from fur ranchers. These pelts are processed under very strict quality control conditions in order to maximize the revenue obtained for the consignor for their ultimate sale at the NAFA auction. As a consequence of my position at NAFPRO, I have become very familiar with commercial systems for the drying of furs and the selection thereof for use by my company.

(5) Pelts are sold at auction with a specified grade with the higher the grade, the higher the price. The size of the pelt also directly influences its sale price. The higher the grade and the bigger the size of a pelt results in increased value of the pelt. The process of drying a pelt not only affects the pelt's grade, but the correct stretching and drying process enhances their value by increasing the area of the pelt uniformly. Stretching, if done properly, maximizes the size of the pelt in its assigned grade. Therefore, the revenue which will be realized from the sale of dried pelts is also dependent on proper drying of the pelts while maintaining the pelts in the highest possible grade. Over stretching of pelts during drying can damage the pelts resulting in sales at a lower grade.

(6) An important criteria for drying of pelts is that the pelts must be attached to pelting boards with an applied uniform longitudinal tension. This tension causes the pelts to be stretched longitudinally to a uniform desired dimension. Each pelt's value is maximized if the pelts are dried with uniformly applied longitudinal stretching to produce a uniform longitudinal dimension.

(7) It is important that the attachment of the pelts to the pelting boards be such that the pelts do not slip during drying. After drying is complete, it is desired that the end of each pelt proximate to its tail is uniformly elongated so that a straight line extends at the end of the pelt proximate to the tail, which is perpendicular to the longitudinal centerline. If the pelts do not dry so that the tail end of the pelt perpendicular to the longitudinal axis is in the aforesaid straight line, undesirable result can occur coursing the pelt to be down sized to a lower size thus reducing its overall value because the overall area of the pelt has been reduced.

(8) The automation of the drying process of pelts to satisfy the above conditions for the approximate one million pelts which NAFPRO is consigned per year is very important to its profitability.

(9) I have reviewed the specification of the above-referenced patent application Serial No. 10/590,478 and drawings thereto, the "Final Rejection" issued February 6, 2009, therein and United States Patents 6,701,756 (Hedegaard) and 6,490,852 (Mustacich et al) which the Examiner discusses as making the claims "obvious".

(10) I note the "Description of the Prior Art" appearing in paragraphs [0003]-[0012] of the specification which refers to methods of fixing pelts to pelting boards for drying thereof which are specifically described in paragraphs [0007]-[0012].

(11) The use of staples referenced in paragraph [0007] to fix pelts to pelting boards is not commercially satisfactory for a large volume operation, such as the million pelts a year, which are processed by NAFPRO.

(12) I am very familiar with the use of cover bags, which is referenced in paragraph [0008] of the specification. I have been deeply involved with the evaluation of cover bags for commercial processing of pelts by NAFPRO. The Hedegaard Patent describes cover bags which are used with a commercial system that my company has evaluated in comparison to the invention described in the specification.

(13) My company has found the invention described in the specification to be the best solution on the market for automated drying of large numbers of pelts and is superior to the commercial system using the bags disclosed by Hedegaard. NAFPRO's commercial systems in accordance with the description in the

specification, use an apparatus, including a winding unit for wrapping material around the fur, a pelting board holder which holds the pelting board while the pelt is on the pelt holder, and a fur holder which holds the fur in a stretched condition to conform the fur to an outer surface of the pelting board prior to winding the winding material around the pelt to fix the pelt to the pelting board.

The winding unit is activated to wrap material around the fur which conforms the stretched fur to the pelting board after release of the fur holder. The pelting board with the attached fur is then removed from the fur holder. The fur is then dried by placing the pelting board holding the stretched fur in a controlled atmosphere with carefully controlled moisture and temperature conditions so that the fur does not dry too quickly which can increase the tendency for undesirable shrinkage to occur.

(14) We have eight (8) systems as described in the specification, which cost approximately $25,000.00 per unit, which are used to stretch our consigned furs. The consumption of stretch wrapping material with these machines to process the pelts according to the specification costs about $0.02 per pelt.

(15) The cover bag system described in paragraph [0008] functions, if properly operated, to produce a uniformly high quality pelt. However, this system has the substantial disadvantage of being much more expensive to use with the cost being around $0.18 per bag to dry one pelt. Moreover, with this system, it is more difficult to vary the compressive force applied by the cover bag than with the system described in the specification. There is no way to vary the compressive force between the bag, pelt and pelting board, which holds the pelt in place, unlike the winding unit. If too little compression is achieved, the pelt will slip up on the drying board during drying. Also the bag can have a tendency to burst or split, requiring another bag to be used, if discovered in time by the operator. The above undesirable

occurrences cause attendant additional expense, and/or damage to the pelt. The application of too little compressive force by the cover bag can result in the pelt becoming loose during drying on the pelting board with the result being a pelt having diminished value.

(16) With the invention described in the specification, the simple sequence of first attaching the pelt to the fur holder which is part of the apparatus of the invention to establish a uniform degree of longitudinal stretching followed by wrapping the fur with a material under a settable tension sufficient to completely fix the fur to the pelting board avoids the possible problems described above regarding the cover bags described in paragraph [0008] of the specification.

(17) I am not aware of any commercial systems which are described by paragraphs [0009]-[0011] of the specification.

I declare under penalty of perjury that the foregoing is true and correct.

NORTH AMERICAN FUR AUCTIONS

Date: June 22, 2009

Denis C. Schmitt
Title: Vice-President of Rancher Relations